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January 28, 2022

Ms. Steffany Powell Coker  
Secretary to the Commission  
Public Service Commission of Wisconsin  
4822 Madison Yards Way  
Madison, WI 53705-9100

**Cardinal-Hickory Creek Transmission Line Project**  
**PSCW Docket No. 05-CE-146**  
**Quarterly Progress Report for 4th Quarter of 2021**

Dear Ms. Coker:

In accordance with Condition 39 of the Commission's *Final Decision and Order* in this docket, served September 26, 2019 (the Order), American Transmission Company (ATC) and ITC Midwest LLC (ITC Midwest), as the project's construction managers, on behalf of themselves and co-permittee, Dairyland Power Cooperative, submit this progress report for the period October 1, 2021 through December 31, 2021.

ATC is managing the construction of the Hill Valley Substation, and the transmission line between the Hill Valley and Cardinal Substations. Construction segments are designated E-1, Hill Valley Substation to Dodgeville; E-2, Dodgeville to Mt. Horeb; and E-3, Mt. Horeb to the Cardinal Substation.

ITC Midwest is managing the transmission line construction between the Hickory Creek Substation in Iowa and the Hill Valley Substation. Construction segments in Wisconsin are designated W-1, Nelson Dewey to Lancaster, and W-2, Lancaster to the Hill Valley Substation.

## **Schedule**

### Substation

ATC expects to commence construction of the Hill Valley Substation in 1<sup>st</sup> Quarter 2022 or early 2<sup>nd</sup> Quarter depending on weather, geotechnical study results, and construction resources.

ATC commenced construction of substation upgrades at Nelson Dewey Substation in the 4<sup>th</sup> Quarter of 2021.

ATC expects to commence construction of substation upgrades at Cardinal Substation in 2<sup>nd</sup> Quarter 2022.

### Transmission Line

ATC started construction with vegetation clearing in Segment E-3 on November 8, 2021. As of December 31, 2021, vegetation clearing continued only in Segment E-3.

ATC anticipates starting mat placement activities in 1<sup>st</sup> Quarter 2022 in Segment E-3 and foundation installation activities in late 1<sup>st</sup> Quarter or Early 2<sup>nd</sup> Quarter 2022 depending on weather and construction resources.

ATC anticipates various materials delivery activities to begin in 1<sup>st</sup> Quarter 2022 and continue through-out 2022.

ITC Midwest started construction with vegetation clearing on Segment W-1 on January 4, 2022. ITC Midwest anticipates starting construction with vegetation clearing on Segment W-2 in the 4<sup>th</sup> Quarter of 2022.

ITC Midwest Iowa Segment 2 will also include setting three structures on the Wisconsin side of the Mississippi River at the Nelson Dewey Substation, which is anticipated to take place in the 4<sup>th</sup> Quarter of 2022, and stringing conductor across the Mississippi River, which is anticipated to take place in the 1<sup>st</sup> Quarter of 2023.

## **Real Estate Activities**

ATC continued making easement offers. In Segment E-3 100%, Segment E-2 100%, and Segment E-1 94% of offers have been made.

ATC has secured sufficient land rights for 98% of parcels in Segment E-3, 75% of parcels in Segment E-2, and 29% of parcels in Segment E-1.

ATC has received WisDOT permits for Dane and Iowa counties.

ITC Midwest has made easement offers on 99% of the parcels. ITC has secured easements on 95% of the parcels on Segment W-1 and has secured easements on 95% of Segment W-2.

## **Engineering and Construction**

### Substation

Hill Valley Substation:

Engineering and design efforts continued. Purchase orders were issued for some station equipment and material.

Nelson Dewey Substation:

Engineering and design completed, and purchase orders for the balance of the project materials were issued. Some materials were delivered to site.

Cardinal Substation:

Engineering and design efforts continued. Purchase orders were issued for long lead time materials.

Eden and other related substations:

Engineering and design efforts continued.

Dairyland continues the engineering analysis of the Stoneman Substation.

### Transmission Line

Mississippi River Crossing to Hill Valley:

Transmission line design is complete. Material has been ordered.

Soil boring activities are complete in Segments W-1 and W-2.

Hill Valley to Cardinal:

Transmission line design continued. Construction specifications and drawings were completed for Segment E-3 and issued for review for Segment E-2.

Additional geotechnical study was completed in Segment E-3 and began in Segment E-2 to support foundation design.

Steel structure purchase order was issued for structures in Segment E-1.

## **Order Compliance**

Condition 13: ATC received Coverage under WPDES General Permit for Construction Site Storm Water Runoff for Segments E-1, E-2 and E-3.

Condition 18 and 19: ATC submitted a Construction Mitigation Plan for WDNR and PSC review for Segment E-1. ATC filed on the Commission's ERF System the approved Construction Mitigation Plans for Segment E-2.

Condition 18 and 19: ITC submitted a Construction Mitigation Plan for WDNR and PSC review for Segment W-1.

### **Project Expenditures**

Project costs through December 31, 2021, are provided in the attached table. Applicant's current estimated costs at completion of the project are \$492,216,000.

For the one-time Environmental Impact Fee and Annual Impact Fee (during construction), the co-owners will pay these fees upon receipt of the invoice from the Department of Administration. The dollars shown in the two fee line items reflect ATC's portion of the fees because ATC accrued these expenses when construction started in Wisconsin on November 1, 2021, based on internal accounting preferences. ITC has these expenses reflected in their forecasts so their portions of the fees are not reflected in the two fee line items at this time.

If you have any questions concerning this report, please contact me at (262) 506-6169, or ctanchester@atcllc.com.

Sincerely,

*/s/ Carolyn Tanchester*

Carolyn Tanchester  
Senior Paralegal  
ATC Management Inc.,  
corporate manager of  
American Transmission Company LLC

PROJECT COST CATEGORY	Approved	As of December 31, 2021
<b>Transmission Lines</b>		
Mississippi River Crossing to Hill Valley Substation	\$133,697,000	\$16,222,577
Hill Valley Substation to Cardinal Substation	\$191,851,000	\$60,616,000
<b>TRANSMISSION LINES TOTAL</b>	<b>\$325,548,000</b>	<b>\$76,838,577</b>
<b>Substations</b>		
All Substation Costs	\$38,274,000	\$3,027,000
<b>SUBSTATIONS TOTAL</b>	<b>\$38,274,000</b>	<b>\$3,027,000</b>
<b>Other Project Costs</b>		
One-time Environmental Impact Fee	\$14,082,000	\$6,337,000
Annual Impact Fee (during construction)	\$1,914,000	\$63,000
Pre-certification Costs - ATC	\$16,000,000	\$18,628,000
Pre-WI Order Costs - ITC	\$10,490,000	\$4,059,400
Pre-WI Order Costs - DPC	\$1,577,000	\$1,864,808
AFUDC-ITC	\$18,779,000	\$9,123,893
AFUDC-DPC	\$626,000	\$454,652
Post-WI Order Costs - DPC	\$2,035,000	\$1,482,485
<b>OTHER PROJECT COSTS TOTAL</b>	<b>\$65,503,000</b>	<b>\$42,013,238</b>
<b>PROJECT COST - WISCONSIN</b>	<b>\$429,325,000</b>	<b>\$94,350,206</b>
<b>PROJECT COST - IOWA</b>	<b>\$62,891,000</b>	<b>\$66,676,385</b>
<b>TOTAL PROJECT COST</b>	<b>\$492,216,000</b>	<b>\$161,026,591</b>